

AMENDED IN SENATE APRIL 9, 2002

SENATE BILL

No. 2073

Introduced by Senators Johannessen and Karnette
(Principal coauthor: Assembly Member Florez)

February 22, 2002

An act to amend Section 14526 of, and to add Section 14035.12 to, the Government Code, and to amend Sections 163 and 164 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 2073, as amended, Johannessen. Short line railroads.

(1) Existing law specifies the powers and duties of the Department of Transportation.

This bill would create in the State Transportation Fund the Short Line Railroad Improvement Account to be administered by the department. The bill would authorize the department ~~for~~ to approve grants for short line railroads, as defined, to be funded from the account. The bill would specify the purposes for which the funds may be used and would specify that the program may be implemented to the extent that funding is available from the General Fund or the Budget Act of 2002 and subsequent Budget Acts, or other statutes.

(2) Existing law requires the department and the California Transportation Commission to prepare fund estimates for the expenditure of all transportation funds that are available to the state. The fund estimates are based on specified authorized annual expenditures, including annual expenditures for local assistance to fund certain local programs.

This bill would include short line rail capital improvement and rehabilitation within the listing of local assistance programs. The bill

would make corresponding changes in provisions governing the programming and expenditure of funds for interregional and regional capital improvements. The bill would prohibit the expenditure for a rail freight project of funds in the Public Transportation Account or that are subject to Article XIX of the California Constitution, including, but not limited to, revenues derived from taxes imposed by the state on motor vehicle fuels for use in motor vehicles upon public streets and highways and revenues derived from specified commercial vehicle registration fees, and funds available in the Public Transportation Account.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14035.12 is added to the Government
2 Code, to read:

3 14035.12. (a) For the purpose of this section, a “short line
4 railroad” means a company or public agency that operates a rail
5 line covering a distance of 400 miles or less.

6 (b) The Short Line Railroad Improvement Account is hereby
7 created in the State Transportation Fund, to be administered by the
8 department.

9 (c) Any short line railroad may apply to the department for a
10 grant under this section.

11 (d) The department may approve grants from funds
12 appropriated therefor by the Legislature and deposited in the Short
13 Line Railroad Improvement Account for any or all of the
14 following purposes:

15 (1) To fund the cost of capital improvement projects designed
16 to improve unit service, including construction and improvement
17 of short segments of rail line including side track, team track, or
18 connection between existing lines; and construction and
19 improvement of a rail user’s loading, unloading, storage, and
20 transfer facilities.

21 (2) To fund the state matching portion of federal grants for rail
22 highway grade crossing improvement projects.

23 (3) To fund the cost of capital improvement projects designed
24 to increase the carrying or load capacity of a rail line; to
25 rehabilitate track bed and structures including bridges, trestles,



1 and tunnels, for drainage and erosion control, and to repair
2 projects.

3 (4) To fund the restoration of railroad facilities damaged or
4 destroyed pursuant to subdivision (b) of Section 8558, and the
5 Governor has declared a state of emergency.

6 (5) To fund the purchase of railroad equipment necessary to
7 maintain rail service.

8 (e) Funds in the Public Transportation Account *or the State*
9 *Highway Account* shall not be expended for grants made pursuant
10 to this section.

11 (f) This program shall be implemented provided that funding
12 is available from the General Fund, or through other statutes or the
13 Budget Act of 2002 and subsequent Budget Acts.

14 SEC. 2. Section 14526 of the Government Code is amended
15 to read:

16 14526. (a) Not later than December 15, 2001, and December
17 15 of each odd-numbered year thereafter, and after consulting with
18 the transportation planning agencies, county transportation
19 commissions, and transportation authorities, the department shall
20 submit to the commission its five-year interregional transportation
21 improvement program consisting of all of the following:

22 (1) Projects to improve state highways, pursuant to subdivision
23 (b) of Section 164 of the Streets and Highways Code.

24 (2) Projects to improve the intercity passenger rail system and
25 the short line railroad system.

26 (3) Projects to improve interregional movement of people,
27 vehicles, and goods.

28 (b) Projects may not be included in the interregional
29 transportation improvement program without a project study
30 report or major investment study.

31 (c) Major projects shall include current costs updated as of
32 November 1 of the year of submittal and escalated to the
33 appropriate year, and shall be consistent with, and provide the
34 information required in, subdivision (b) of Section 14529.

35 (d) Projects included in the interregional transportation
36 improvement program shall be consistent with the adopted
37 regional transportation plan.

38 SEC. 3. Section 163 of the Streets and Highways Code is
39 amended to read:

1 163. The Legislature, through the enactment of this section,
2 intends to establish a policy for the use of all transportation funds
3 that are available to the state, including the State Highway
4 Account, the Public Transportation Account, and federal funds.
5 For the purposes of this section, “federal funds” means any
6 obligational authority to be provided under annual federal
7 transportation appropriations acts. The department and the
8 commission shall prepare fund estimates pursuant to Sections
9 14524 and 14525 of the Government Code based on the following:

10 (a) Annual expenditures for the administration of the
11 department shall be the same as the most recent Budget Act,
12 adjusted for inflation.

13 (b) Annual expenditures for the maintenance and operation of
14 the state highway system shall be the same as the most recent
15 Budget Act, adjusted for inflation and inventory.

16 (c) Annual expenditure for the rehabilitation of the state
17 highway system shall be the same as the most recent Budget Act,
18 or, if a long-range rehabilitation plan has been enacted pursuant to
19 Section 164.6, it shall be based on planned expenditures in a
20 long-range rehabilitation plan prepared by the department
21 pursuant to Section 164.6.

22 (d) Annual expenditures for local assistance shall be the
23 amount required to fund local assistance programs required by
24 state or federal law or regulations, including, but not limited to,
25 railroad grade crossing maintenance, bicycle transportation
26 account, congestion mitigation and air quality, regional surface
27 transportation programs, local highway bridge replacement and
28 rehabilitation, local seismic retrofit, local hazard elimination and
29 safety, short line rail capital improvement and rehabilitation, and
30 local emergency relief.

31 (e) After deducting expenditures for administration, operation,
32 maintenance, local assistance, safety, and rehabilitation pursuant
33 to subdivisions (a), (b), (c), and (d), and for expenditures pursuant
34 to Section 164.56, the remaining funds shall be available for
35 capital improvement projects to be programmed in the state
36 transportation improvement program.

37 (f) Notwithstanding any other provision of law, an expenditure
38 for a rail freight project shall not be made from funds available in
39 the Public Transportation Account or funds that are subject to
40 Article XIX of the California Constitution, including, but not

1 limited to, revenues from state taxes imposed on motor vehicle
2 fuels used by motor vehicles on public streets and highways, or
3 revenue from registration fees imposed on commercial vehicles
4 under Section 9400 of the Vehicle Code.

5 SEC. 4. Section 164 of the Streets and Highways Code is
6 amended to read:

7 164. (a) Funds made available for transportation capital
8 improvement projects under subdivision (e) of Section 163 shall
9 be programmed and expended for the following program
10 categories:

11 (1) Twenty-five percent for interregional improvements.

12 (2) Seventy-five percent for regional improvements.

13 (b) Sixty percent of the funds available for interregional
14 improvements under paragraph (1) of subdivision (a) shall be
15 programmed and expended for improvements to state highways
16 that are specified in Sections 164.10 to 164.20, inclusive, and that
17 are outside the boundaries of an urbanized area with a population
18 of more than 50,000, and for intercity rail improvements.

19 (c) Not less than 15 percent of the amount of funds
20 programmed under subdivision (b) shall be programmed for
21 intercity rail improvement projects, including separation of grade
22 projects.

23 (d) Funds made available under paragraph (1) of subdivision
24 (a) shall be used for transportation improvement projects that are
25 needed to facilitate interregional movement of people and goods.
26 The projects may include state highway, intercity passenger rail,
27 short line rail, mass transit guideway, or grade separation projects.

28 (e) Funds made available under paragraph (2) of subdivision
29 (a) shall be used for transportation improvement projects that are
30 needed to improve transportation within the region. The projects
31 may include, but shall not be limited to, improving state highways,
32 local roads, public transit, intercity rail, short line rail, pedestrian,
33 and bicycle facilities, and grade separation, transportation system
34 management, transportation demand management, soundwall
35 projects, intermodal facilities, safety, and providing funds to
36 match federal funds.